Interim CFO FAQ message to campus: 3-26-2026

FAQs: Current Financial Landscape 2025–26

Last updated March 26, 2026

1. Is UCLA facing financial instability?

Like many public universities, UCLA is facing financial pressures driven by curtailed state funding levels, rising operating costs that outpace revenue, and an unprecedented attack on higher education. These challenges are serious and require difficult decisions, but they also provide an opportunity to sharpen our priorities and invest more strategically in our future.

2. What deficit is UCLA facing?

Based on approved spending plans and current planning assumptions, UCLA's closing deficit on central accounts for FY26 is projected at approximately $220 million. Importantly, we are also still working with academic and administrative units across UCLA to capture additional one-time and recurring shortfalls that require attention.

3. Where did the $425 million figure come from?

You may have seen previous references in the media to a higher deficit figure. That projection included uncommitted funds: spending requests that had not yet been approved and did not therefore reflect UCLA's projected closing deficit on central accounts.

4. Has spending growth within schools contributed to the budget challenge?

UCLA's budget challenges reflect broader institutional and external factors affecting higher education, including state funding levels, rising operational costs and other economic pressures. They are not attributable to any single school or administrative unit, but we are certainly looking at each unit to determine key problem areas that need to be prioritized.

5. Will there be budget reductions or program impacts?

Budget decisions for fiscal year 2026–27 are still under review. As decisions are finalized, information will be shared through established campus processes.

We are working with academic and administrative units across the campus to understand shortfalls that require attention beyond our central account. This process is ongoing and requires parsing out recurring deficits from one-time shortfalls and also requires us to look beyond 2025–26 to incorporate plans for deficit reductions that may already be underway.

6. How does UCLA plan to balance the budget?

We are exploring new revenue opportunities while we identify areas that require immediate efficiencies to ensure the prioritization of our core teaching, research and service mission. While it will not be realistic for us to close the budgetary gap within one or even two years, the goal is to clearly delineate a path and timeline toward a balanced budget. Adjustments to some areas of our budget will need multi-year planning, while others do require immediate action. A robust partnership between our administration, the Academic Senate and staff members across the university will be essential as we carry out this important work.